

shall pay a penalty with respect to each such fee activity in the amount determined under subsection (b).

“(2) REGULATIONS.—The Secretary may issue rules to carry out the purposes of this subsection and may provide for exceptions for fee arrangements that are in the public interest.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fee agreements, charges, and collections made after the date of the enactment of this Act.

**SEC. 499L. DISCLOSING PAYMENTS TO PERSONS IN UNCOOPERATIVE TAX HAVENS.**

(a) IN GENERAL.—Subpart A of part III of subchapter A of chapter 61 is amended by inserting after section 6038C the following new section:

**“SEC. 6038D. DETERRING UNCOOPERATIVE TAX HAVENS THROUGH LISTING AND REPORTING REQUIREMENTS.**

“(a) IN GENERAL.—Each United States person who transfers money or other property directly or indirectly to any uncooperative tax haven, to any financial institution licensed by or operating in any uncooperative tax haven, or to any person who is a resident of any uncooperative tax haven shall furnish to the Secretary, at such time and in such manner as the Secretary shall by regulation prescribe, such information with respect to such transfer as the Secretary may require.

“(b) EXCEPTIONS.—Subsection (a) shall not apply to a transfer by a United States person if the amount of money (and the fair market value of property) transferred is less than \$10,000. Related transfers shall be treated as 1 transfer for purposes of this subsection.

“(c) UNCOOPERATIVE TAX HAVEN.—For purposes of this section—

“(1) IN GENERAL.—The term ‘uncooperative tax haven’ means any foreign jurisdiction which is identified on a list maintained by the Secretary under paragraph (2) as being a jurisdiction—

“(A) which imposes no or nominal taxation either generally or on specified classes of income, and

“(B) has corporate, business, bank, or tax secrecy or confidentiality rules and practices, or has ineffective information exchange practices which, in the judgment of the Secretary, effectively limit or restrict the ability of the United States to obtain information relevant to the enforcement of this title.

“(2) MAINTENANCE OF LIST.—Not later than November 1 of each calendar year, the Secretary shall issue a list of foreign jurisdictions which the Secretary determines qualify as uncooperative tax havens under paragraph (1).

“(3) INEFFECTIVE INFORMATION EXCHANGE PRACTICES.—For purposes of paragraph (1), a jurisdiction shall be deemed to have ineffective information exchange practices if the Secretary determines that during any taxable year ending in the 12-month period preceding the issuance of the list under paragraph (2)—

“(A) the exchange of information between the United States and such jurisdiction was inadequate to prevent evasion or avoidance of United States income tax by United States persons or to enable the United States effectively to enforce this title, or

“(B) such jurisdiction was identified by an intergovernmental group or organization of which the United States is a member as uncooperative with international tax enforcement or information exchange and the United States concurs in the determination.

“(d) PENALTY FOR FAILURE TO FILE INFORMATION.—If a United States person fails to furnish the information required by subsection (a) with respect to any transfer within the time prescribed therefor (including extensions), such United States person shall

pay (upon notice and demand by the Secretary and in the same manner as tax) an amount equal to 20 percent of the amount of such transfer.

“(e) SIMPLIFIED REPORTING.—The Secretary may by regulations provide for simplified reporting under this section for United States persons making large volumes of similar payments.

“(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.”.

(b) CLERICAL AMENDMENT.—The table of sections for such subpart A is amended by inserting after the item relating to section 6038C the following new item:

“Sec. 6038D. Deterring uncooperative tax havens through listing and reporting requirements.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers after the date which is 180 days after the date of the enactment of this Act.

**SEC. 499M. DETERRING UNCOOPERATIVE TAX HAVENS BY RESTRICTING ALLOWABLE TAX BENEFITS.**

(a) LIMITATION ON DEFERRAL.—

(1) IN GENERAL.—Subsection (a) of section 952 (defining subpart F income) is amended by striking “and” at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting “, and”, and by inserting after paragraph (5) the following new paragraph:

“(6) an amount equal to the applicable fraction (as defined in subsection (e)) of the income of such corporation other than income which—

“(A) is attributable to earnings and profits of the foreign corporation included in the gross income of a United States person under section 951 (other than by reason of this paragraph or paragraph (3)(A)(i)), or

“(B) is described in subsection (b).”.

(2) APPLICABLE FRACTION.—Section 952 is amended by adding at the end the following new subsection:

“(e) IDENTIFIED TAX HAVEN INCOME WHICH IS SUBPART F INCOME.—

“(1) IN GENERAL.—For purposes of subsection (a)(6), the term ‘applicable fraction’ means the fraction—

“(A) the numerator of which is the aggregate identified tax haven income for the taxable year, and

“(B) the denominator of which is the aggregate income for the taxable year which is from sources outside the United States.

“(2) IDENTIFIED TAX HAVEN INCOME.—For purposes of paragraph (1), the term ‘identified tax haven income’ means income for the taxable year which is attributable to a foreign jurisdiction for any period during which such jurisdiction has been identified as an uncooperative tax haven under section 6038D(c).

“(3) REGULATIONS.—The Secretary shall prescribe regulations similar to the regulations issued under section 999(c) to carry out the purposes of this subsection.”.

(b) DENIAL OF FOREIGN TAX CREDIT.—Section 901 (relating to taxes of foreign countries and of possessions of United States) is amended by redesignating subsection (l) as subsection (m) and by inserting after subsection (k) the following new subsection:

“(l) REDUCTION OF FOREIGN TAX CREDIT, ETC., FOR IDENTIFIED TAX HAVEN INCOME.—

“(1) IN GENERAL.—Notwithstanding any other provision of this part—

“(A) no credit shall be allowed under subsection (a) for any income, war profits, or excess profits taxes paid or accrued (or deemed paid under section 902 or 960) to any foreign jurisdiction if such taxes are with respect to income attributable to a period during which

such jurisdiction has been identified as an uncooperative tax haven under section 6038D(c), and

“(B) subsections (a), (b), (c), and (d) of section 904 and sections 902 and 960 shall be applied separately with respect to all income of a taxpayer attributable to periods described in subparagraph (A) with respect to all such jurisdictions.

“(2) TAXES ALLOWED AS A DEDUCTION, ETC.—Sections 275 and 78 shall not apply to any tax which is not allowable as a credit under subsection (a) by reason of this subsection.

“(3) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection, including regulations which treat income paid through 1 or more entities as derived from a foreign jurisdiction to which this subsection applies if such income was, without regard to such entities, derived from such jurisdiction.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

**NOTICES OF HEARINGS/MEETINGS**

**COMMITTEE ON ENERGY AND NATURAL RESOURCES**

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the following hearing has been scheduled before the Committee on Energy and Natural Resources:

The hearing will be held on Tuesday, April 27, at 10 a.m. in Room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony regarding sustainable, low emission, electricity generation.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SD-364 Dirksen Senate Office Building, Washington, DC 20510-6150.

For further information, please contact Dr. Pete Lyons at 202-224-5861 or Shane Perkins at 202-224-7555.

**AUTHORITY FOR COMMITTEES TO MEET**

**COMMITTEE ON ARMED SERVICES**

Mr. DEWINE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on March 25, 2004, at 9:30 a.m., in open and closed session to receive testimony on the role of U.S. Northern Command and U.S. Special Operations Command in defending the homeland and in the global war on terrorism, in review of the defense authorization request for fiscal year 2005.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS**

Mr. DEWINE. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and

Urban Affairs be authorized to meet during the session of the Senate on March 25, 2004, at 2 p.m., to conduct a hearing on "The Administration's Proposed Fiscal Year 2005 Budget for the Federal Transit Administration."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND  
TRANSPORTATION

Mr. DEWINE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, March 25, 2004, at 9:30 a.m., on Cable Rates.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR,  
AND PENSIONS

Mr. DEWINE. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions, Subcommittee on Employment, Safety, and Training be authorized to meet for a hearing on Hazard Communication in the Workplace during the session of the Senate on Thursday, March 25, 2004 at 10 a.m. in SD-430.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DEWINE. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 25, 2003 at 9:30 a.m. to hold a hearing on AGOA III: the United States Africa Partnership Act of 2003.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DEWINE. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 25, 2004 at 2:30 p.m. to hold a hearing on Nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. DEWINE. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Thursday, March 25, 2004, for a joint hearing with the House of Representatives' Committee on Veterans' Affairs, to hear the legislative presentations of the National Association of State Directors of Veterans Affairs, AMVETS, American Ex-Prisoners of War, the Vietnam Veterans of America, and the Military Officers Association of America.

The hearing will take place in room 345 of the Cannon House Office Building at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DEWINE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be author-

ized to meet during the session of the Senate on March 25, 2004 at 2:30 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ECONOMIC POLICY

Mr. DEWINE. Mr. President, I ask unanimous consent that the Subcommittee on Economic Policy of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 25, 2004, at 10 a.m. to conduct a hearing on "National Flood Insurance Repetitive Losses."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON STRATEGIC FORCES

Mr. DEWINE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on March 25, 2004, at 2:30 p.m., in open session to receive testimony on National security space programs, and management, in review of the defense authorization request for fiscal year 2005.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER AND POWER

Mr. DEWINE. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, March 25 at 2:30 p.m. to receive testimony regarding the following bills: S. 1085, a bill to provide for a bureau of reclamation program to assist states and local communities in evaluating and developing rural and small community water supply systems, and for other purposes; S. 1732, a bill to direct the Secretary of the Interior to establish a rural water supply program in the reclamation states to provide a clean, safe, affordable, and reliable water supply to rural residents; S. 2218, a bill to direct the Secretary of the Interior to establish a rural water supply program in the reclamation states to provide a clean, safe, affordable, and reliable water supply to rural residents and establish guidelines for projects and for other purposes; S. 1727, a bill to authorize additional appropriations for the Reclamation Safety of Dams Act of 1978; and S. 1791, a bill to amend the Lease Lot Conveyance Act of 2002 to provide that the amounts received by the United States under that act shall be deposited in the reclamation fund, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR STAR PRINT—S. 2201

Mr. FRIST. Mr. President, I ask unanimous consent that S. 2201 be star printed with the change which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURES READ THE FIRST TIME—H.R. 339, H.R. 3717, and S. 2236, EN BLOC

Mr. FRIST. Mr. President, I understand there are three bills at the desk, and I ask that they be read for the first time en bloc.

The PRESIDING OFFICER. Without objection, the clerk will read the titles of the bills for the first time.

The assistant legislative clerk read as follows:

A bill (H.R. 339) to prevent legislative and regulatory functions from being usurped by civil liability actions brought or continued against food manufacturers, marketers, distributors, advertisers, sellers, and trade associations for claims of injury relating to a person's weight gain, obesity, or any health condition associated with weight gain or obesity.

A bill (H.R. 3717) to increase the penalties for violations by television and radio broadcasters of the prohibitions against transmissions of obscene, indecent, and profane material, and for other purposes.

A bill (S. 2236) to enhance the reliability of the electric system.

Mr. FRIST. Mr. President, I now ask for their second reading, and in order to place the bills on the calendar under rule XIV, I object to further proceedings on these matters en bloc.

The PRESIDING OFFICER. Objection is heard. The bills will be read a second time on the next legislative day.

EXECUTIVE SESSION

PROTOCOL AMENDING TAX CONVENTION WITH SRI LANKA—TREATY DOCUMENT NO. 108-9

INCOME TAX CONVENTION WITH SRI LANKA—TREATY DOCUMENT NO. 99-10

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following treaties on today's Executive Calendar: Nos. 14 and 15. I further ask unanimous consent that the treaties be considered as having passed through their various parliamentary stages, up to and including the presentation of the resolutions of ratification; that any statements relating to the treaties be printed in the CONGRESSIONAL RECORD as if read; and that the Senate take one vote on the resolutions of ratification, to be considered as separate votes; further, that when the resolutions of ratification are voted on, the motion to reconsider be laid upon the table, the President be notified of the Senate's action, and that following the disposition of the treaties, the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered. The treaties will be considered to have passed through their various parliamentary stages, up to and including the presentation of the resolutions of ratification.